

Central Intelligence Agency



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DIRECTORATE OF INTELLIGENCE

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China: Competing with Soviets for Influence []

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Summary

1,2 Over the last year Beijing has improved relations with many of Moscow's closest friends and allies, particularly in the Third World. It has established diplomatic relations with and supplied arms to Angola, renewed ties with SWAPO, increased diplomatic and economic exchanges with Libya, and recently provided propaganda support for Nicaragua. China has also sought better relations with some members of the Warsaw Pact. []

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3 What began as part of a tactical shift away from close public identification with the United States and toward the Third World also represents an increased Chinese willingness to compete with Moscow for influence. We believe Chinese leaders hope their policy will:

- Improve China's standing with moderate states in the Middle East, Africa, and Latin America.
- Strengthen Chinese capabilities for exploiting the periodic strains between Moscow and its allies.
- Open new economic opportunities. []

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This memorandum was prepared by [] the Office of East Asian Analysis, China Foreign Affairs Branch. Questions and comments are welcome and may be addressed to the author []

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3 These goals and Chinese capabilities suggest definite limits on how far Beijing will go. It is unlikely to support radical goals to accommodate a few states--such as Libya--at the risk of undermining ties with the West and moderate Third World governments. Nor are the Chinese able or inclined to compete with the Soviets in providing aid, especially military assistance, to win over Moscow's friends. Finally, Beijing remains hostile to Cuba and Vietnam. Both are viewed as Soviet proxies pursuing policies inimical to Chinese interests. []

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3 Despite recent improvements in Sino-US relations, we believe Beijing will maintain its carefully nurtured image of evenhandedness toward the United States and the USSR and will be reluctant to modify significantly those aspects of this policy that are contrary to US interests. []

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The Confrontational Approach

2, 3 In the late 1970s and early 1980s Chinese policy sought to forge a "united front" with the United States, Western Europe, Japan, and sympathetic Third World countries to check Soviet expansionism. Beijing was alarmed by Moscow's efforts to use Vietnam and Cuba as well as other clients to promote the USSR's strategic interests. It saw most of those aligned with Moscow as firmly in the Soviet camp and entertained little hope of wooing them away. As a result, Beijing adopted a confrontational approach, criticizing them for supporting Soviet policies and their dependency on Moscow especially for arms. []

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In some instances Beijing worked actively to undermine those with close ties with the Soviets:

- 1, 2, 3
- China provided military supplies, including fighter aircraft, to Somalia after the 1977 border war with Ethiopia to counter Soviet Bloc assistance to Addis Ababa.
 - Beijing cut off aid to SWAPO in 1978 because of its growing dependence on the USSR for arms.
 - The Chinese continued to provide aid to UNITA against the MPLA even after UNITA was defeated in the Angolan civil war.
 - China cooperated with Western efforts to isolate radical states like Libya, seeing their activities as disruptive and thereby serving Soviet interests.
 - And the Sino-Vietnam border war in early 1979 was Beijing's response to Hanoi's decision to ally itself with the USSR and to invade Kampuchea. []

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2, 3
Even in this period, however, Beijing tried to maintain its relations with a few special Soviet friends, such as India and Mozambique, and with Soviet allies in Eastern Europe. The Chinese have long sought to encourage Poland, Hungary, Czechoslovakia, East Germany and Bulgaria to adopt more independent policies--like Yugoslavia and Romania--by playing on their resentment of Soviet economic and political domination. As a result, the Chinese media have generally tended to treat them gently, and to characterize East European domestic problems as the product of Soviet interference rather than "revisionist" policies--a term reserved mainly for Moscow. [REDACTED]

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Relations cooled when the Warsaw Pact condemned China's invasion of Vietnam, and China subsequently cut back trade in 1980-81 as part of a general economic retrenchment at home. But recently Beijing has sought to expand economic ties and improve political relations again. [REDACTED]

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2, 3
For even more important strategic reasons, China has sought to improve its strained relations with India--especially since the Soviet invasion of Afghanistan in late 1979. Both Foreign Minister Huang during a visit to India in June 1981 and Premier Zhao Ziyang at the Cancun summit the following October actively wooed Prime Minister Gandhi. In courting her, Beijing hopes to exploit Indian unhappiness over the Soviet invasion to nudge New Delhi away from Moscow, help reduce tensions between India and China's close ally Pakistan, finally--and probably least important--resolve the Sino-Indian border dispute. Thus far, little progress has been made on the border issue, but some cultural and commercial relations have resumed. [REDACTED]

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In the case of Mozambique the Chinese have simply tried to preserve their equities despite the tilt of the Machel government toward Moscow. [REDACTED]

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[REDACTED] Beijing maintained a similar policy toward South Yemen when relations declined following the 1979 coup. [REDACTED]

4, 5 The New Policy

2, 6
The formal break with the confrontational approach did not come until late 1981. In a speech to a session of the National People's Congress in December, Vice Premier Ji Pengfei laid out a new foreign policy line: China would distance itself from US policy initiatives and improve ties with the Third World. China

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2,6 would no longer base its support for Third World countries on their attitude toward the USSR. This point was reinforced at the 12th Party Congress in September 1982 when the Chinese leadership set down a policy of maintaining normal relations with all countries. [REDACTED]

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Courting the Third World

7 Since the 12th Congress, Chinese officials have admitted their "blind anti-Soviet" approach had been often counterproductive. In many cases, it had antagonized old friends not interested in becoming embroiled in China's quarrel with the Soviet Union and weakened China's influence among other leftist groups in the Third World. We believe that a principal aim of China's softer approach is to improve ties with key states in Africa, the Middle East, and Latin America by adopting policies similar to their vis-a-vis local Soviet clients. In our view, this policy is part of Beijing's general effort to improve ties with the Third World in order to garner broad support for Chinese positions on international issues, such as Kampuchea and Afghanistan, and to encourage the development of economic ties beneficial to China. [REDACTED]

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8 Southern Africa. Chinese support for UNITA in the 1970s, nonrecognition of the Angolan government, and the absence of ties with SWAPO and other liberation groups lent credence to Soviet charges that China was following the US lead and cared little about African concerns. [REDACTED] Africans increasingly compared China's behavior with that of the superpowers. [REDACTED]

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To overcome this negative image and to strengthen its ties to the Frontline States in particular, China asked Zaire, Tanzania, Zambia, and Zimbabwe to help it improve ties with Angola and the Soviet-backed insurgent groups. Beijing has moved quickly since the beginning of the year:

- Premier Zhao Ziyang met with leaders of SWAPO and the ANC while in Zambia during his African tour, [REDACTED]

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- China established diplomatic relations with Angola in January and sent Vice Foreign Minister Gong Dafei to Luanda in May to discuss economic assistance.

- SWAPO President Sam Nujoma and ANC leader Oliver Tambo visited Beijing in February and May respectively [REDACTED]

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The Horn. Regional opinion has tempered Beijing's approach to the Horn as well. Somalia's irredentist claims remain a

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source of concern within the Organization of African Unity and have helped convince the Chinese to reduce their aid to Mogadishu and to explore improved relations with Ethiopia. China has even adopted a public position of neutrality in the conflict between the two countries, although it continues to provide some low-level military assistance to Somalia. [REDACTED]

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2, 14, 15
Central America. Beijing's interest in aligning its policies with regional sentiment is also largely responsible for its stepped-up criticism of US policy toward Central America and Chinese support for the Contadora Group's proposals for a negotiated settlement. Previously China had criticized the Sandinistas for being subservient to Cuban and Soviet influence. During the UN Security Council debate on Nicaragua in March, China's UN ambassador implied that the United States was responsible for the deteriorating situation in the region. Meanwhile, the Chinese media have criticized US policy for lacking regional support and attacked President Reagan's May speech on Central America for advocating further interference in the region. [REDACTED]

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Competing With Moscow

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Beijing recognizes that dissatisfaction with Soviet heavy handedness, its small economic aid programs, and Moscow's reluctance at times to provide security guarantees have led to friction--as in Iraq and Congo--or even the severance of ties--as in Egypt. [REDACTED]

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16, 17, 18, 19
Beijing laid the groundwork for improved ties with the radical Arab states during Ministry of Foreign Affairs Adviser He Ying's tour of the Middle East in May-June 1982, which included Syria and Libya. [REDACTED]

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16, 17, 18, 19
Subsequently, China attempted to exploit Syrian and Libyan disillusionment with Moscow's inability to prevent Israeli forces from defeating the Palestinians in Lebanon. In October, Libyan leader Mu'ammarr Qadhafi paid his first visit ever to China. According to US Embassy sources in Beijing, the Chinese hoped to disabuse Qadhafi of some ideas he had gotten from the Soviets and others, including charges of secret Chinese collusion with "American imperialists." [REDACTED]

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2, 20, 21, 22
Since last year Beijing has also tried to undercut Soviet influence in South Yemen by capitalizing on Aden's interest in broadening its sources of aid. Following the first meeting of its kind between Chinese and South Yemeni party officials in April 1982, a trade agreement was signed and reportedly included

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a modest Chinese aid package. Chinese officials in Aden told US Embassy sources recently that China sees a real opportunity to wean South Yemen away from the Soviets. [REDACTED] 25X1

23, 24 Eastern Europe. China's decision to renew bilateral talks with the USSR last fall--suspended since the invasion of Afghanistan--paved the way for Beijing to reopen contact with Eastern Europe. Indeed shortly after Brezhnev's Tashkent speech in March 1982, which Moscow used to signal a desire to improve relations with Beijing, the USSR urged several of its Warsaw Pact allies--most notably East Germany--to seek better ties with China in order to probe Chinese willingness to come to terms. Beijing, in response, approved some modest student, cultural, and sports exchanges with Eastern Europe in the spring and summer of last year and received several official delegations. [REDACTED] 25X1

1, 25, 26 The pace has accelerated somewhat since Sino-Soviet talks began last fall. According to US Embassy sources in Beijing, following the August secret visit to Moscow of the Chinese Foreign Ministry's Director of Soviet Union and East European Affairs, Yu Hongliang, Moscow gave the green light to improve trade, cultural, and sports ties. Last October, East Germany played up the visit to China of its vice minister of machine building--the highest level visit in 20 years. [REDACTED] 25X1

27, 28, 41 China initially played down these contacts, however, as it entered into negotiations with the United States over the Taiwan issue. Beijing probably wanted to prevent Moscow from using them to exaggerate the movement toward Sino-Soviet rapprochement. At any rate, Beijing quickly demonstrated it too could take advantage of the decrease in tensions with Moscow to open new doors. According to US Embassy sources in Moscow, Beijing sent Yu Hongliang to Warsaw for a short visit last August and subsequently increased diplomatic contacts with East Germany, Czechoslovakia, Hungary, and Bulgaria. [REDACTED] 25X1

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2, 3, 29 General Secretary Hu Yaobang's visit to Romania and Yugoslavia in May highlighted the competitive nature of China's East European policy. By praising both countries for their independent foreign policies and calling for a "new situation" in relations among Communist parties, Hu was clearly inviting other Communist parties to assert their independence from Moscow. Later in the month, Beijing followed up on its East European offensive by dispatching Vice Foreign Minister Qian Qichen on a tour of Poland, Hungary, and East Germany--the highest-level official to visit these countries since 1964. Although Qian's

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trip was billed as an inspection tour of Chinese missions in the region, he met with his Polish counterpart and with the foreign ministers of both Hungary and East Germany. [REDACTED]

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Economic Motives

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Paralleling these increased diplomatic contacts, China plans to increase trade with Eastern Europe in 1983. Trade protocols signed since January call for sharply higher levels: Hungary, up 80 percent; Czechoslovakia, 50 percent; Poland, 48 percent; East Germany, 25 percent; and Bulgaria, 15-20 percent. These increases follow a two-year decline and partially reflect Beijing's interest in using trade to promote better political relations with these countries. [REDACTED]

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3,35
Economic considerations have also played a major role. Beijing's decision last year to conserve foreign exchange by renovating existing Soviet-built plants instead of importing new high-technology plants from the West has made trade with Eastern Europe more attractive. [REDACTED]

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3,36
Similarly, China's interest in increasing its foreign exchange earnings has been a factor in its move to improve relations with other Soviet friends in the Third World. Chinese leaders no doubt learned some valuable lessons from Iraq's move in the late 1970s to diversify its sources of military weapons: in the last two years Beijing has signed more than \$3 billion in arms deals with Baghdad. No doubt China would like to repeat this in Syria. In Libya's case, the Qadhafi visit produced agreements expanding economic and technical cooperation, joint investment, and trade. [REDACTED]

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The Limits

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Cuba and Vietnam are conspicuously absent from the list of Soviet friends and allies that China has courted over the last year and a half. Beijing continues to view both as Soviet proxies and pursues policies aimed at countering their influence. [REDACTED]

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31 Vietnam has remained a focus of particular concern. Hanoi's close ties to the Soviets, its occupation of Kampuchea, and boundary disputes with Beijing, together make even a limited Sino-Vietnamese rapprochement unlikely in the near future. China has attempted to keep Vietnam off balance by maintaining a large military presence near the border and aiding Kampuchean resistance forces, supporting ASEAN's diplomatic efforts to induce Vietnam to withdraw from Kampuchea, and playing on Vietnamese concern that China will reach an accommodation with the Soviets at Vietnam's expense. [REDACTED]

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2, 3, 38 Cuba, on the other hand, is further removed from China's immediate concerns, allowing Beijing to maintain a somewhat more flexible attitude toward Havana. For example, the two nations have continued trade ties dating from the early 1960s and last summer the Chinese ambassador in Havana suggested to American officials that a less confrontational US policy toward Cuba might encourage Castro to lessen his dependence on the Soviets. Nevertheless, Beijing continues to view the Cubans as tools of the USSR. Chinese media have been particularly critical of the spoiler role Havana has played in preventing moderate Third World nations from steering the Nonaligned Movement away from echoing Soviet positions. [REDACTED]

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2, 3 China also has remained hostile toward the Soviet-backed regime in Afghanistan. Beijing continues to supply arms to Afghan resistance forces and has avoided any move that might lend legitimacy to the government in Kabul--a factor in China's concern over Pakistan's participation in the UN-sponsored peace talks. [REDACTED]

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18, 36, 39 Cultivating a Moderate Image. China's broader interests in projecting a more moderate, responsible image limit its revamped approach to some of Moscow's friends. For example, on several occasions following Sino-Libyan meetings China has given assurances to moderate Arab states such as Egypt that these new ties do not signal a dramatic change in China's Middle East policy. This point was reinforced when Premier Zhao Ziyang skipped over Libya on his African tour. [REDACTED]

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40 Beijing's concern about its more positive treatment of pro-Soviet states jeopardizing established ties extends to the West as well and is probably one reason why China's recent opposition to US policy in Central America remains largely rhetorical. [REDACTED]

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[REDACTED] despite Beijing's interest in establishing diplomatic relations with Managua--which still recognizes Taiwan--as of late last year the Chinese have offered little enticement. Any future aid in exchange for recognition is likely to be small, at least partly because of the potential for an adverse US reaction. [REDACTED]

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37 Limited Resources. Chinese leaders evidently also have few illusions about China's ability to compete with the USSR, especially in providing sophisticated military hardware to Third World clients. Beijing, for example, remains chary in its dealings with countries like Ethiopia and Angola and with the southern African insurgent groups, recognizing that their flirtation with China may be temporary. Instead, Beijing continues to encourage many of these states to turn to Western sources when possible and to emphasize China's willingness to provide some economic assistance--an area where the USSR has been notably weak. []

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3 Chinese expectations for quick improvement in relations with Soviet allies in Eastern Europe no doubt are even lower. Beijing certainly knows that Moscow is calling the shots in these states dealings with China and that substantial improvement in political relations, especially party-to-party ties, remains unlikely in the near term. For now, we believe the Chinese will be content to chip away at the edges, focusing their efforts on Hungary and Poland--the only two states among the five where Beijing apparently sees at least some potential for movement. At the same time, China will highlight its ties to the more independent East European states--Yugoslavia and Romania--to encourage the others to demonstrate some independence from Moscow. []

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US Interests

3 To the extent that Beijing is able to reduce Soviet influence, China's efforts to improve its ties with Moscow's friends serves US interests. Beijing's hardline approach to Vietnam, Cuba, and Afghanistan also assists US efforts to check Soviet expansion through the use of proxies. By lending support to critics of US policy, however, there is at times a trade off. Nevertheless, the problems China's policy creates for US policy should be minimal. We believe Beijing will avoid undercutting the United States in any manner that it believes will directly benefit the USSR. China's limited capabilities also will tend to keep the material support it gives to Soviet clients and friends at low levels. Chinese aid to southern African insurgent groups, for example, has been largely symbolic and Chinese leaders continue to call for a negotiated settlement in the region. []

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3 Despite the recent warming trend in Sino-US relations, China is unlikely to stop criticizing US policies toward the Third World. Beijing will continue to protect its carefully nurtured image among Third World states of evenhandedness toward the superpowers. As was recently demonstrated during the conflict in Chad, Beijing may be willing privately to back certain US initiatives but may be unwilling to condone them publicly. []

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